



CITY OF SAN ANTONIO

P. O. BOX 839966
SAN ANTONIO TEXAS 78283-3966

May 31, 2006

City Auditor
San Antonio, Texas

RE: Management's Corrective Action Plan for Audits of Collection Service Contracts for Delinquent Parking Fines and for Delinquent Capias Warrants

We have reviewed the audit report for Collection Service Contracts for Delinquent Parking Fines and for Delinquent Capias Warrants and herein is a Corrective Action Plan for the recommendations. Having an objective review of these contracts and the related processes has resulted in better information for Management to develop operating strategies for the future.

Recommendation					
#	Description	Audit Report Page	Accept, Partially Accept, Decline	Responsible Person's Name/Title	Completion Date
Executive Summary (ES)					
ES1	The City Manager should hire a highly qualified Municipal Court Director to provide the leadership and expertise required by the position. Action Plan: In consultation with the City Manager, the Presiding Judge will select a new head administrative staff person as the Municipal Court Clerk.	ES3	Accept	Sheryl Sculley	6/1/06
ES2	The City Manager should re-consider the current decentralization of contract monitoring and other key business processes. Action Plan: The Presiding Judge will work with the City Manager's Office in evaluating contract monitoring and key business processes.	ES3		Presiding Judge/Court Administrator	
ES3	MCD should provide current staff the skills and knowledge needed to effectively administer high-risk contracts and vendor's compliance. (Detailed Report Part I Section II Recommendation 3, Response Page 4)	ES2			
ES4	MCD should provide better information technology equipment for parking enforcement. (Detailed Report Part I, Section II, Recommendation 3, Response Page 4)	ES2			

Recommendation					
#	Description	Audit Report Page	Accept, Partially Accept, Decline	Responsible Person's Name/Title	Completion Date
Detailed Report					
Part I. Audit of Collection Service Contract for Delinquent Parking Citations					
Sec. I	Contractor's Compliance and Performance Concerns				
	The City Manager should:				
	• Work with the City Attorney to take legal action against the vendor, Professional Financial Services, to recover overpayments and interest of at least \$30,000 if it is deemed cost effective.	11	Decline	Michael Bernard	
	• Ensure that this and other City Departments establish quality controls over contract administration.	12	Accept	Presiding Judge	Immediate
	• Include contractor's past performance in the RFP evaluation process.	12	Accept	Presiding Judge	When RFP is prepared
	• Include penalties in the contract for the City to be compensated for performance deficiencies.	12	Accept	Presiding Judge	When RFP is prepared
	• Create a debarment list for contractors with substantial non-compliance or poor performance.	12	Accept	Philip Campos Acting Director for Contract Services	TBD
	• Use contract termination provisions when appropriate.	12	Accept	Presiding Judge	When RFP is prepared
Action plan:					
Municipal Courts Department Response: The Municipal Courts Department concurs with the overall recommendations; primarily establishing quality controls over contract administration. In the past year, Municipal Court staff has been committed in attending the city-wide Contract Services Department's training curriculums educating key personnel with all the elements involved in complying with the new standards set in contract compliance reviews/monitoring and contract administration. To date, two MCD staff has successfully completed the training requirements from Contract Services. An additional staff person is scheduled to attend. In addition to contract administration and monitoring, effective performance measures should be established to accurately assess a contractors performance. For future collection contracts, MCD will work closely with all appropriate departments involved (e.g. City Attorney's Office, Office of Management and Budget, Contract Services, ITSD, Purchasing). In reference to creating a debarment list, MCD staff agrees with the process as indicated in the Contract Services Department's response.					
Municipal Court staff will defer the findings regarding legal actions to the City Attorney's Office. However, it has always been our interpretation that there is no actual guarantee/penalty to this contract. If you refer to page 3 of 13 of the contract, Section 5; Compensation Fee, there is specific language referring to an incentive for PFS to reach a recovery rate of 17.4% for the first compensation year of the contract and 35% for the 2 nd and subsequent compensation years. If PFS would have reached said recovery rates, the City would have paid PFS a 20% fee (additional 4%) of net amount collected versus the 16% that was actually paid by the City.					

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City Attorney's Office Response: Do not concur with recommendation regarding legal action. The interpretation within the Audit regarding incorporation of exhibits (regarding skip tracing provisions, etc.) while correct, is incomplete. According to its specific terms, the provisions of the Agreement are controlling over any conflicts between provisions within either exhibit. Any loss of revenue due to lack of skip tracing is irrelevant since it was not addressed within any of the provisions of the Agreement itself. The CAO has been working with various departments in the pursuit of a City-wide debarment policy.					
Sec. II Department Management and Internal Controls					
1.	Business Process and Application Controls The Municipal Courts Department (MCD) should:				
	• Initiate cooperative arrangements with other Departments involved in the issuance and collection of parking citations.	14	Accept	Presiding Judge	Immediate
	• Confirm citation data received daily with sending Department to ensure completeness of electronic file transfers.	14	Accept	Presiding Judge	12/31/06
	• For manual tickets, develop procedures and controls to account for ticket books distributed and returned, and controls over data input into the Ticket System.	14	Accept	Presiding Judge	12/31/06
	• Raise the reliability of citation entered into the Ticket System by including citation accuracy as part of performance evaluation.	14	Accept	Presiding Judge	Immediate
	• Implement front-end controls such as validity checks and batch controls to detect invalid data entered.	14	Accept	ACM/CIO and CTO of Enterprise Applications, ITSD	12/31/06
	• Establish supervisory review in daily operation.	14	Accept	Presiding Judge	Immediate
	• Produce exception reports for invalid or incomplete license plates to ensure completeness and correctness of the data.	14	Accept	Presiding Judge	12/31/06
Action plan:					
Municipal Courts Department Response: The Municipal Courts Department agrees overall with the recommendations. The department has taken the following steps:					
1.	A ticket management committee consisting of staff from Municipal Courts, Finance, Contract Services, Municipal Integrity, and the City Attorney's Office was established in October 2005 to address and review the current processes of the City's ticket management system. Three reports were produced by the committee members; Municipal Integrity Report, Assessment of Data Controls & Efficiencies of the Ticket Processing and Mapping of the Ticket Process. Based on their findings, below are steps city departments will undertake in the coming months:				
	➤ All departments, to include Airport Police, Code Compliance, Park Police, Health Animal Control, Metro Health-Food Inspections, Fire Department, Development Services, and Police-Alarm Section, that issue manual parking tickets have been instructed to develop and/or improve procedures and controls for ticket book distribution. The Parking Division has created an internal policy to hold parking enforcers accountable for enforcing the booting program. Next steps will be to follow-up with each of these departments to evaluate their progress.				
	➤ Municipal Court Department implemented new internal controls regarding the receipt and processing of the parking tickets. Electronic hand-held devices are currently being evaluated by Municipal Court, Asset Management, SAPD and ITSD.				

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2.	<p>Management from the Parking Division and Municipal Courts have coordinated with ITSD to create daily and monthly statistical reports to monitor parking tickets issued by parking enforcers to invalid license plates. Said reports will be used and be part of employees' performance evaluations and serve as a tool for supervisory and/or management review. MCD will follow up with all departments issuing tickets to invalid license plates to monitor and address this issue.</p> <p>Information Technology Services Department Response: ITSD concurs with recommendations and has been participating in implementing the above recommendations. On November 4, 2005 a meeting was held by Melissa Vossmer, Michael Armstrong and Hugh Miller to discuss technology solutions for Municipal Court. The outcome of this meeting the following people were tasked on working with MCD and departments that integrate with MCD to assist in gathering requirements for a new hand-held ticket writer, a business analyst position and evaluation of new software to replace the existing mainframe applications; David Preciado (MCD), Bart Mulcahy and Yolanda Maldonado. The department has taken the following steps:</p> <ol style="list-style-type: none"> Discussions have been underway on development requests for enhancements to manual processes currently in place. We are currently waiting on work requests (ISD2s) for development items from the responsible departments. Gathered requirements from Asset Management – Parking Division, SAPD – Traffic Division and Municipal Court for new handheld ticket writers throughout the month of November and December. A requirement will be added to record the need to audit tickets being written and/or voided (see attached matrix of requirements gathered to date). To assist in defining business processes and to identify gaps in these processes and how ITSD can assist in providing a technological solution; ITSD has created a job specification for a Business Analyst. The position will be dedicated to working for/at MCD but report to ITSD. The person will be working closely with MCD to identify business processes and gather requirements for IT work requests. This position will function as a liaison between MCD and ITSD. It will require court knowledge blended with IT knowledge. Position will be advertised January 11, 2006 and will close February 1, 2006. 				
2.	<p>Municipal Courts Department's Performance</p> <p>The City Manager should hold the MCD accountable for performance of collection and related services. Develop standard reporting requirements, methodologies, and mechanisms to receive feedback on performance outcome from all City Departments.</p> <p>Action plan:</p> <p>MCD is reviewing its' key performance measures. Assessment underway with Municipal Court Management to ensure proper reporting is reviewed and documented ensuring accuracy and validity to certain performance measures. In prior budget seasons, said performance measures have been reviewed and analyzed by staff from Municipal Court, Budget and City Manager' Office. MCD is working with the Budget and City Manager Office to assess the monthly and/or quarterly reports requested.</p>	17	Accept	Presiding Judge	Immediate
3.	<p>Contract Administration</p> <p>The City Manager should evaluate the MCD structure, business processes, personnel competency and technologies to properly administer its contracts. Substantial improvements are needed with the MCD.</p>	19	Accept	Presiding Judge	4/13/06

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<p>Action plan:</p> <p>Municipal Courts Department Response: The Department of Municipal Court will evaluate the competencies of current staff and identify the strengths and weaknesses. After that evaluation, steps will be enforced to acquire additional training and when vacancies occur and/or new positions are approved every effort will be made to recruit the required skill sets.</p> <p>In February 2006, Municipal Court contracted with a consultant to review and evaluate the following elements of Municipal Court:</p> <ul style="list-style-type: none"> ➤ Organizational Structure ➤ Technology ➤ Human Resources ➤ Operational Budget ➤ Employee Training <p>This evaluation has been completed and the recommendations were presented to City Council during the April 19, 2006 B Session. Staff will proceed with implementing improvements as directed by City Council.</p> <p>Also, planning is underway with ITSD to implement the following for FY 06:</p> <ul style="list-style-type: none"> ➤ handheld devices for parking tickets – RFP may be required ➤ hire a full-time business analyst at MCD to look at operational processes and mainframe systems <p>Information Technology Services Department Response: ITSD has been participating in implementing the above recommendations. The department has taken the following steps:</p> <ol style="list-style-type: none"> 1. Process requests for reports, data extracts and enhancements to applications as directed by MCD staff. 2. Offer guidance and recommendations for technology requests. 3. Gathered requirements from Asset Management – Parking Division, SAPD – Traffic Division and Municipal Court for new handheld ticket writers throughout the month of November and December. Currently list as a requirement on this list is the need to be able to query the database to create statistical reports for analysis on performance, trends, and/or discrepancies using reporting tools like Crystal or Business Objects (see attached matrix of requirements gathered to date). 4. To assist in defining business processes and to identify gaps in these processes and how ITSD can assist in providing a technological solution; ITSD has created a job specification for a Business Analyst. The position will be dedicated to working for/at MCD but report to ITSD. The person will be working closely with MCD to identify business processes and gather requirements for IT work requests. This position will function as a liaison between MCD and ITSD. It will require court knowledge blended with IT knowledge. Position was advertised January 11, 2006 and closed February 1, 2006; shall be filled by June 2006. 					
4.	<p>Compliance with City Ordinances</p> <ul style="list-style-type: none"> • The City Manager should require MCD to comply with City Ordinances 93103 and 65690. • The City Manager should ensure that all Departments issuing parking citations work together to establish a business process to effectively execute the booting program. • MCD should evaluate the costs/benefits of obtaining a subscription to the electronic database for temporary license plate registrants. Determine if the City could more effectively match missing names with the database information than a contractor. 	<p>21</p> <p>21</p> <p>22</p>	<p>Accept</p> <p>Accept</p> <p>Accept</p>	<p>Presiding Judge</p> <p>Presiding Judge</p> <p>ACM/CIO and CTO of Enterprise Applications, ITSD</p>	<p>See dates of ordinances Immediate</p> <p>6/1/06</p>

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	<p>Action plan: Municipal Courts Department Responses: Municipal Courts agrees with the recommendation that all Departments issuing parking citations work together to establish a standard business process in support of the booting program. We have taken a proactive approach in working with ITSD and are in current discussions in studying all the elements involved in successfully implementing new handheld parking ticket writers for FY 2006.</p> <p>An evaluation is underway regarding the current services that TVICS provides the City in matching missing names from vehicle license plates. After a thorough review, we will determine if contracting directly with Texas Department of Transportation is more viable for Municipal Courts.</p> <p>Information Technology Services Department Response: ITSD has been participating in implementing the above recommendations. The department has taken the following steps:</p> <ol style="list-style-type: none"> 1. Currently the matching process is on license plate number, make and model. This is an edit that was requested MCD when the data was returned back from the vendor. We can enhance this check and create reports for MCD staff on the license plates that do not match on make and model. MCD can then decide whether to accept the information from the vendor or keep it as a 'no match'. 2. Since the current hand-held ticket writers will be replaced, it is not feasible at this time to request that they be changed to capture the VIN number. 3. As to pursuing access to a database for temporary license plates registrants; the data is not recorded in any database for retrieval. ITSD has verified what information is recorded by car dealerships; the 'red tags' contain customer name, VIN and date the plate expires. For the 'black tag' it only contains the dealer number. Information is not entered into a database. Information on the permanent license plate is registered with the county/state. 4. Business decisions need to be made for which license plates should be queried to obtain current owner information. If a license plate is older than seven years, likelihood of a match decreases tremendously. Also a decision will need to be made if the parking violations older than seven years should change the status from open to something different that would allow better efficiencies of towing/booting list. The disposition would still allow for payment if it is received, but will reduce the list size that would be sent to handheld units. 5. Recommend adding to the requirements for the hand-held ticket writers the capability for a device/data to do a near real-time check against TCIC/NCIC (see attached matrix of requirements gathered to date). The requirements already have an item listed for a bar-code reader to allow scanning of the VIN to the hand-held unit. 				
5.	<p>Safeguarding of Cash MCD should limit the safe combination access and change the safe combination on a periodic basis. Keep the safe locked when it is not in use.</p> <p>Action plan: In the last year, immediate changes took place in securing the safes in the Accounting Office:</p> <ul style="list-style-type: none"> ➤ A half door was installed and is always closed separating the Accountants/Clerks from the cashier open area ➤ An electronic buzzer was installed for cashiers/staff to press to enter the Accounting Office ➤ A motion detector was installed to secure the safes after working hours ➤ A written policy and procedure was implemented to ensure staff documents the dates the combination safes are periodically changed throughout the year. Also, immediate change is required when an employee departs from the Accounting Office. 	23	Accept	Presiding Judge	Immediate

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	As per cash handling procedures and guidelines, we understand the principle of limiting the safe combinations to two employees; however that is a challenge to comply with since there are two work schedules for the Accounting Office staff. Therefore, we have a primary person and a backup for each shift, totaling four employees with access to the safes.				
6.	Ticket Matching by Texas Vehicle Information and Computer Services (TVICS) MCD should: <ul style="list-style-type: none"> Perform a buy or lease cost/benefit analysis of the vehicle registration database. Follow the competitive bidding requirements to find a suitable vendor, if it continues to outsource collection services. Negotiate the current fee structure to be based on "matched items," rather than input items so that it will provide incentives for TVICS to find and match owner information, if it continues the business with TVICS. Actively manage operational results by utilizing reports provided by the vendor. Always reconcile monthly billing data to services provided by the vendor to ensure the accuracy of billing. 				
		24	Accept	Presiding Judge	12/31/06
		24	Accept	Presiding Judge	12/31/06
		24	Accept	Presiding Judge	12/31/06
		24	Accept	Presiding Judge	Upon Contract Award
		24	Accept	Presiding Judge	Upon Contract Award
	Action plan: Municipal Courts Department Response: In reference to the skip tracing component and to address delinquent parking citations recorded in the Municipal Court Parking System (mainframe based) with no names and addresses, Municipal Courts will address this issue as follows: <ul style="list-style-type: none"> An immediate review and assessment of our business relationship with Texas Vehicle Information and Computer Services (TVICS) is underway regarding its database(s) utilized to find vehicle owner information on parking citations entered in the Municipal Court Parking Ticket System. Reports have been requested from TVICS in an effort to analyze specific performance measures of their services. TVICS monthly billings are reconciled to our Municipal Court Parking System records and proper documentation has been implemented to capture the reviewer's signature ensuring accuracy of the billing in the disbursement process. A Request for Proposal may be required to comply with State and City's competitive bidding requirements (Proposed Implementation date is FY 2006) 				

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Part II. Audit of Collection Service Contract for Delinquent Capias Warrants					
Sec. I Municipal Courts Department Internal Controls and Business Processes					
1.	Address Input and Mailing Letters MCD should:				
	• Utilize the Geobase System for address validation to reduce the number of invalid record.	9	Accept	ACM/CIO and CTO of Enterprise Applications, ITSD	7/01/06
	• Replace manual data entry of citations with automated processes to reduce inefficiencies and errors.	9	Accept	ACM/CIO and CTO of Enterprise Applications, ITSD	12/31/06
	• Assess the costs/benefits related to processing and collecting citations written to the homeless, and recommend more effective alternatives.	9	Accept	Presiding Judge	Completed
Action plan:					
Municipal Courts Department Response: MCD is taking the following steps:					
<ul style="list-style-type: none"> ➤ MCD will work with SAPD and ITSD to assess the Geobase address validation system. ➤ Currently working with ITSD regarding the assessment of handheld devices. Upon the completion of the assessment of the handheld ticket writers, an evaluation of available funds will occur and determination of implementation would be coordinated by Judicial and Administrative staff. ➤ MCD is no longer mailing delinquent warrant notices to a 'homeless' addresses. Specific addresses have been identified and flagged. ➤ A "Pilot" Community Court may be implemented in FY 2006 to address social services ➤ Investigating avenues to proceed with a skip tracing vendor. 					
Information Technology Services Department Response: ITSD has been participating in implementing the above recommendations. The department will take the following steps:					
<ol style="list-style-type: none"> 1. As of 11/10/2005 ITSD has been gathering requirements from Asset Management – Parking Division, SAPD – Traffic Division and Municipal Court for new handheld ticket writers. One of the requirements listed in the RFP will be the ability to utilize the magnetic stripe on driver's license to gather all pertinent information for the ticket (name, dob, address). GPS is also listed in the requirements to gather information for the location of the violation (addresses). This particular requirement will require further investigation to ensure that it will meet the needs of the Police Department and MCD (see attached matrix of requirements gathered to date.) 2. With direction from MCD staff ITSD can implement batch geo-validation of defendant addresses. Also with direction MCD provide the appropriate reports for defendant addresses that do not geo-validate for further researching. If MCD decides to do so, can also implement logic into batch programs when developing lists, letters, etc, if address flag is checked as being validated , create list, print letters, etc 3. Further meetings will need to be held to discuss a tracking system for mailing letters and adding of efficiencies when producing letters. For example: 					

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	<ul style="list-style-type: none"> • Pre-sort mail by zip code • Add bar code for address • Add Route Smart logic • Create tracking number and logs to record if mail is sent back and the reason, to avoid re-sending 'bad' addresses. <p>City Attorney's Office Response: The City Attorney's Office will assist with the RFP for handheld devices and is assisting MCD with the implementation of Community Court, with an emphasis on reducing recidivism.</p>				
2.	<p>Warrant Processing Internal Control Weaknesses</p> <p>MCD should:</p> <ul style="list-style-type: none"> • Ensure that only valid codes associated with active Judges are used, and restrict the ability to add or delete Judge codes to ITSD security personnel. • Update and obtain approval for the MCD Procedures Manual. Provide training for the new procedures to ensure that Department objectives will be met. <p>Action plan:</p> <p>Municipal Courts Department Response: MCD has implemented immediate controls to ensure the use of Judge's codes are properly monitored and that only authorized personnel from MCD have the ability to add or delete judges codes in the Municipal Court System.</p> <p>Since the completion of the reorganization at MCD, the Warrant Section now is under the direction of the Presiding Judge. In the upcoming months, judicial staff will create an updated manual addressing all the variables involved in the warrant process. After approval of this manual by the Presiding Judge, appropriate training will be scheduled for judicial and administrative staff for FY 2006.</p> <p>Information Technology Services Department Response: ITSD will participate in implementing the above recommendations. The department currently has the following available capabilities in place:</p> <ol style="list-style-type: none"> 1. A security option is currently in place to activate/deactivate judges available to the MCD's DSS to make changes as required. ITSD can investigate other alternatives to streamline deactivation utilizing updates from LIDS. ITSD strongly recommends that the authorization to deactivate a judge code needs to reside in MCD. ITSD can add the capability to have start/end dates of when the judge's number is active. A routine would need to be added to check if the information being entered for the judge falls within the period the judge served at Municipal Court. We have provided an option in the application for MCD staff to use due to the need for quick response time for the action to be done. If the request is sent to ITSD, it will be placed in the work queue to create the request and may not be processed in a timely manner. 2. Discussions have been taking place with the Presiding Judge and Administrative Staff to create an automation feature to process warrants in a timely manner. As requirements are defined the necessary programming will be done. 				

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3.	Weak Access Controls				
	<ul style="list-style-type: none"> The City's Chief Information Officer and Chief Technology Officer should evaluate the current mainframe system to determine what security improvements can be made, such as stronger access controls and CoBit standards. Reassign responsibility for administering system security from the MCD to ITSD. 	12	Accept	ACM/CIO and CTO of Enterprise Applications, ITSD	6/01/06
	<ul style="list-style-type: none"> MCD should segregate the conflicting duties performed by the Revenue Accountants. 	12	Accept	Presiding Judge	Completed
	<p>Action plan:</p> <p>Municipal Courts Department Response: If and when the MCD replaces the mainframe system, as per upcoming budget approvals, MCD will assist ITSD in taking an active role in sharing its operational expertise and experience to determine the effectiveness of a new system with a strong access control environment.</p> <p>MCD has reviewed its ERM/SAP roles with the Finance Department and is now in compliance.</p> <p>Information Technology Services Department Response: ITSD will participate in implementing the above recommendations and request clarifications:</p> <ol style="list-style-type: none"> 1. There have been numerous changes to the MCRT system to implement safeguards. It has been through the request of MCD to deactivate or modify these requests. The statement, "The issues identified suggest that security was not a priority when the mainframe system was developed." requires clarification. ITSD had done its part to implement stricter controls. Some changes have been deactivated to increase processing time in data entry; ITSD has no control over these decisions. ITSD does agree that the original security model is outdated and can be rectified. Due to the nature of the business, all applications for Municipal Court are required to be up 24 hours a day/7 days a week, which leaves very little room to make major modifications, as we are talking about in this risk. The effort would include file changes, program changes and coordination for testing to ensure no functionality is lost. There are work around to avoid major file changes, but will need to be discussed further to assure that MCD staff is in agreement with the approach. It will ultimately be MCD's decision on how to proceed. ITSD can make recommendations to MCD staff but that does not ensure that ITSD will be granted the authority to proceed. 2. ITSD will discuss with MCD the ability to tie deactivation of user accounts into the current and any future applications used by MCD. ITSD will ensure that the most current security standards are addressed in the proposal for a new or enhanced system for MCD. 3. ITSD strongly recommends that the authorization for security access needs to reside in MCD. We have provided online application tools for them to use due to the quick turnaround time to get the action done. It is MCD's responsibilities to deactivate any users & judges operator ids when changes happen due to change in responsibility and/or termination. If sent to ITSD it will be placed in the work queue to create the request and may not be processed in a timely manner. 4. When the Business Analyst is hired and on-board and begins to document the SAP business processes at MCD, we can determine if there is an automation process that can be implemented to ensure that the preparing of journal entries and posting of journal entries can be done in a secured fashion. For example, prior to SAP, the nightly batch job for cashiering would build a record in MARR of the revenues collected. The accounting division of Municipal Court would then update these journal entries after reconciling and post the final entries to MARR. A similar process could be done with SAP. 				

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4.	Inadequate Stakeholder Involvement MCD Administration should provide the Judiciary an opportunity to participate in significant MCD management decisions that affect warrant processing and collection. When appropriate, consult other stakeholders such as ITSD, Finance, Code Compliance, or the Police Departments.	12	Accept	Presiding Judge	Completed
<p>Action plan:</p> <p>Municipal Courts Department Response: Since the completion of the reorganization at MCD, the Warrant Section now is under the direction of the Presiding Judge. In an effort to comply with legal requirements for upcoming warrant drives, the Presiding Judge and his staff will take an active role in planning and assisting administrative staff in carrying out successful warrant drives. One important point to illustrate is that all appropriate stakeholders have been involved in the warrant processing for prior years. Collaborative efforts will continue with SAPD, ITSD, Bexar County, and other outside agencies.</p>					
5.	Warrant Drives MCD should develop a process to analyze warrant data for use by SAPD and Municipal Court Marshals.	13	Accept	Presiding Judge	Completed
<p>Action plan:</p> <p>Municipal Courts Department Response: MCD has created a weekly report identifying the top offenders with multiple warrants outstanding. The Deputy Marshal identifies the top ten warrants on a daily basis. The Deputy Marshal along with the Judiciary Office is planning a meeting with the SAPD and 311/Customer Service for an upcoming warrant drive in August 2006.</p> <p>Information Technology Services Department Response: ITSD has been participating in implementing the above recommendations. The department has taken the following steps:</p> <ol style="list-style-type: none"> 1. Process requests for changes to existing applications (see attached list of projects completed, cancelled and in process). 2. Offer guidance and recommendations for enhancements to manual processes currently in place. Waiting on direction from MCD and judicial staff on how to proceed. For example: <ul style="list-style-type: none"> • Provide a list of warrants by address. This will allow the City Marshal to make a 'sweep' in one area. • Provide a list by driver's license number. This will assist in two problem areas; defendant in the system multiple times with different MIDs. Merging of duplicate MIDs into one 'master' record 3. The Business Analyst will also be able to assist in making the Warrant Drives more successful by identifying weaknesses and providing solutions for the current method of preparing and executing these drives. 					
6.	Renewal of Drivers' Licenses and Vehicle Registrations MCD should establish agreements with the Texas Department of Public Safety and Bexar County which would result in the denied renewal of drivers licenses and auto registrations for warrant holders.	13	Partially Accept	Presiding Judge	TBD

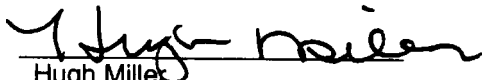
Recommendation					
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<p>Action plan: Municipal Courts Department Response: In FY 2006, a comprehensive analysis will be conducted by administrative and judicial staff regarding the feasibility of initiating the denial of renewal of driver's license to defendant that failed to appear to court orders.</p> <p>In Summer 2005, MCD met with Sylvia Romo, Bexar County Tax Assessor, requesting implementation of an interlocal agreement for the denial of vehicle registration for individuals that have delinquent traffic violation warrants. Unfortunately, no commitment was made on behalf of the County. For the 2007 Legislative Session, MCD plans to coordinate with the Intergovernmental Relations Department and the Office of Court Administration in changing State law to require the local County Tax Assessor to contract with local municipalities.</p> <p>City Attorney's Office Response: The City Attorney's Office will assist the Intergovernmental Relations Department as needed to engage the Office of Court Administration in dialogue and action in pursuit of legislative change.</p>					
Sec. II Data Reliability Issues					
1.	Programming Errors				
	• MCD should perform diligent analysis of program change requests prior to their submission to ITSD.	14	Accept	Presiding Judge	In Process
	• ITSD should establish procedures to ensure appropriately controlled application changes.	14	Accept	ACM/CIO and CTO of Enterprise Applications, ITSD	6/01/06
<p>Action plan: Municipal Courts Department Response: MCD will establish a procedure to ensure ITSD program changes are comprehensively analyzed prior to their submission to ITSD. The Presiding Judge and the ACM/CIO will cooperate in improving the coordination and necessary communication in completing program change requests.</p> <p>Information Technology Services Department Response: ITSD has been participating in implementing the above recommendations. The department has taken the following steps:</p> <ol style="list-style-type: none"> 1. Meetings have been taking place with each new area due to the reorganization (MCD Administrative staff and Judicial staff). ITSD has stressed the need for these two entities to discuss work requests and the impact to each other's area prior to sending the requests to ITSD. ITSD will setup a meeting with both entities to discuss list of outstanding projects, obtain prioritization and coordination of user acceptance prior to implementing programming requests (see attached list of projects completed, cancelled and in process). 2. ITSD is in the beginning phase of implementing CMM and ITIL methodologies, but will strive to put in as many quality control checks/checkpoints as soon as possible. 3. Once the Business Analyst has been hired one of their duties will be to facilitate work requests sent to ITSD to ensure that they are discussed with all divisions of Municipal Court. ITSD is recommending that a Change Control Board be established at MCD to assist in this endeavor. <p>Note: Meetings have been held with MCD staff to discuss enhancements to the various applications but there has not been any of the required ISD2s created for us to proceed with the work.</p>					

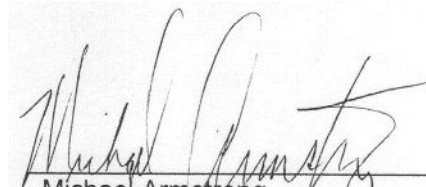
Recommendation					
#	Description	Audit Report Page	Accept, Partially Accept, Decline	Responsible Person's Name/Title	Completion Date
2.	<p>Incomplete Data File Transfer MCD should develop reconciliation procedures to ensure that the Contractor receives all cases referred to it.</p> <p>Action plan: Municipal Courts Department Response: If the City decides to contract with a vendor for the collection of delinquent warrant fines, MCD will work closely with Contract Services Department, ITSD and the selected vendor to establish appropriate procedures in transferring cases electronically. Another key component in this process is to identify and designate the responsibility of monitoring the contract to ensure compliance. This can be accomplished by either designating a trained staff person in MCD or appoint a centralized contract committee. In addition, it is recommended that this contract be considered a "high risk" per City standards.</p> <p>Information Technology Services Department Response: ITSD will be participating in implementing the above recommendations. The department can take the following steps:</p> <ol style="list-style-type: none"> 1. When creating the contract/RFP for a collection agency, ITSD will document the requirements for ensuring that there is an audit trail for all records sent and records not sent and the reason why they were not selected. 2. For future extracts, ITSD can add a date stamp to a record that is forwarded to a collection agency. This will allow for tracking of the record. Currently there are control records with how many records have been sent to the agency. We will need to include in any future collection agencies a return confirmation of how many records were received, processed, matched and not matched. 	15	Accept	Presiding Judge	Upon Contract Award
3.	<p>Inaccurate Account Status MCD should develop coding/classification procedures to ensure that Contractors properly map COSA status codes to their proprietary status codes.</p> <p>Action plan: Municipal Courts Department Response: If the City decides to contract with a vendor for the collection of delinquent warrant fines, MCD will establish procedures with ITSD, Contract Services Department and the selected vendor to map out status codes. To ensure cases are coded accurately, proper documentation will be required by MCD in the initial testing phase and monitored throughout the term of the contract.</p> <p>Information Technology Services Department Response: ITSD will be participating in implementing the above recommendations. The department may take the following steps:</p> <ol style="list-style-type: none"> 1. When creating the contract/RFP for a collection agency, ITSD will document the requirements for ensuring that there is an audit trail for all records sent and the status coding structure for tickets sent to the collection agency. Currently if a ticket is closed due to 'jail time served', MCD considers the ticket as 'dismissed'. ITSD will ensure that the each status is accounted for when creating the transformation rules. 2. Appropriate sign-off forms will be created to ensure that MCD staff accepts the audits developed and will adhere to following-up with any discrepancies with the vendor. 	15	Accept	Presiding Judge	Upon Contract Award


Recommendation					
#	Description	Audit Report Page	Accept, Partially Accept, Decline	Responsible Person's Name/Title	Completion Date
Sec. III	Contract Administration MCD should: <ul style="list-style-type: none"> Ensure that personnel are trained and that procedures are established for contract administration. Consider making site visits to facilities before selecting a vendor. 	19	Accept	Presiding Judge	Completed
		19	Accept	Presiding Judge	Prior to Awarding of Contract
<u>Action plan:</u> Municipal Courts Department Response: We concur with your recommendations. Municipal Court staff has obtained immediate training in contract administration within this last year. Two employees have received contract law certificates in the last year. If the Court decides to contract with a collection vendor in the future, it will work very closely with the Contract Services Department and ITSD to comply with all elements regarding contract administration and especially the monitoring aspect.					

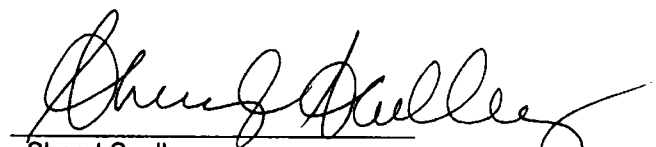
We appreciate the City Internal Auditor's comments on contract management for delinquent parking fines and capias warrants. We are committed to address the audit observations in the report and have devised a plan of action for each recommendation. Comments include plan of action, targeted completion date and the status of implementation.

Sincerely,


Hugh Miller
Chief Technology Officer
Enterprise Applications, ITSD


Michael Armstrong
Assistant City Manager/
Chief Information Officer


John Bull
Presiding Judge


Sheryl Sculley
City Manager